

# **EXHIBIT 4**

**CONFIDENTIAL**

In accordance with a protective order, the enclosure(s) shall be treated as confidential and shall not be shown to any person other than those persons designated in paragraph 8.2 of the paragraph order.

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF WYOMING

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CUSTODIA BANK, INC.,  
2120 Carey Avenue, Suite 300  
Cheyenne, WY 82001

*Plaintiff,*

v.

FEDERAL RESERVE BOARD OF  
GOVERNORS,  
Constitution Ave NW & 20th St NW  
Washington, DC 20551

FEDERAL RESERVE BANK  
OF KANSAS CITY,  
1 Memorial Drive  
Kansas City, MO 64108,

*Defendants.*

Civil Case No.: 1:22-CV-00125-SWS

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**SUPPLEMENTAL EXPERT REPORT OF KATIE S. COX**

I, Katie S. Cox, declare and state as follows:

**I. INTRODUCTION**

1. On October 20, 2023, I submitted a report in this matter (“Cox Report”).  
2. Counsel for Plaintiff Custodia subsequently provided me with documents and deposition transcripts that were produced after I submitted my report. This Supplemental Report presents additional opinions based on these additional materials. All opinions and conclusions expressed in my original Cox Report remain unchanged.

**II. ADDITIONAL OPINIONS**

**A. The Federal Reserve Banks Must Adhere to a Board-Approved Handbook That Gives the Board Control Over the Review of Master Accounts Applications**

3. By its terms, the S-2677 letter issued by the Board of Governors of the Federal Reserve System (“Board”) on January 17, 2023 requires Reserve Banks to develop Board-approved procedures for implementing the Guidelines for Evaluating Account and Service Requests (“Account Access Guidelines”). FRB-AR-000014 at § II.



7. I understand from reviewing the deposition transcript of the Federal Reserve Bank of Kansas City's designee that Board staff participated in drafting the Handbook. 30(b)(6) Dep. Tr. at 275:19–276:4. I further understand that the Federal Reserve Bank of Kansas City consulted the Guidelines Handbook and used it “as a

reference point” in assessing Custodia’s master account request, even though it was still in draft form at the time. *Id.* at 278:8–19.

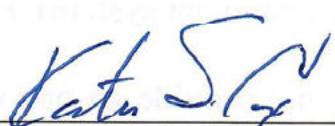




13. Overall, it is my opinion that the draft and final Guidelines Handbook provides the Board significant control over how master account applications by banks such as Custodia are to be reviewed and acted upon by the Reserve Banks.

14. Because discovery is ongoing, I reserve the right to modify or supplement the opinions set forth in my report and the bases for those opinions.

DATE: 12/4/23

By:   
Katie S. Cox

## **COX SUPPLEMENTAL MATERIALS RELIED UPON LIST**

- Documents Produced by the Federal Reserve Bank of Kansas City, including: FRBKC-00011189; FRBKC-00018216; FRBKC-00017834; FRBKC-00010562; FRBKC-00011481; FRBKC-00010129; FRBKC-00010131; FRBKC-00015474; FRBKC-00016741; FRBKC-00016743; FRBKC-00017570; FRBKC-00017974; FRBKC-00018073; FRBKC-00017290; FRBKC-00017820; FRBKC-00017823
- Deposition Transcripts, including: Federal Reserve Bank of Kansas City's Rule 30(b)(6) Designee; Christi May-Oder (Volumes I and II); Esther George; Jackie Nugent; Jeffrey Imgarten; Jenifer Haake; Judith Hazen; Ross Crouch; Tara Humston
- Documents that Have Been Designated as Deposition Exhibits in this Litigation, including: Exhibit 1; Exhibit 3; Exhibit 225, Exhibit 228; Exhibit 229; Exhibit 230; Exhibit 231